GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:5457
ANSWERED ON:15.05.2007
CLOSURE OF NTC MILLS
Singh Shri Sugrib;Veerendra Kumar Shri M.P.

Will the Minister of TEXTILES be pleased to state:

(a) whether the Union Government has decided to close down some more mills of National Textile Corporation (NTC);

(b) if so, the details thereof alongwith the reasons therefor, State and mill-wise;

(c) the number of workers likely to be affected and the steps taken to safeguard their interests, mill-wise;

(d) the manner in which the Government proposes to deal with the existing liabilities of these mills;

(e) whether the Government had earlier decided to revive the thirty mills through joint venture with private companies;

(f) if so, the reasons for dropping other mills;

(g) the percentage of stake offered to private companies in the proposed joint venture; and

(h) the steps taken or proposed to be taken by the Government to revive the thirty mills?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGOVAN)

(a) to (c) : As per the Modified Rehabilitation Scheme approved by the Board for Industrial and Financial Reconstruction (BIFR) and Group of Ministers (GOM), it has been decided to close down 12 non functional mills out of the 30 mills to be revived through Joint Venture as there is no production activity in these mills and most of the employees have taken retirement under the Modified Voluntary Retirement Scheme (MVRS). Two of these mills have been closed as per the decision and 10 mills are to be closed further. MVRS has been offered to the remaining employees of these mills also. Mill-wise details of workers likely to be affected in the 10 mills are at Annexure.

Government have offered a liberal Modified Voluntary Retirement Scheme (MVRS) to safeguard the interests of workers affected by the closure of unviable mills of NTC. The scheme provided for increasing ex-gratia payment to the workers by 50% to 100% depending upon date of revision of wages. Besides, Department of Public Enterprises (DPE) has formulated a scheme for counseling, re-training and re-deployment of employees of Public Sector and NTC employees are exposed to such programmes.

(d): The existing liabilities of closed mills are dealt by NTC for their disposal.

(e) to (h): It was proposed to revive thirty mills through joint venture. However, as production had completely ceased in12 of these mills and most of the employees have taken MVRS, BIFR and GOM approved to revive the balance 18 mills through joint venture with majority stake to NTC, including development of India International Trade Tower at the land of one of these 18 mills, viz. India United Mill No. 6, Mumbai.

ANNEXURE NO.OF EMPLOYEES ON ROLL AS ON 01.04.2007 IN 10 MILLS STATE-WISE PROPOSED FOR CLOSURE

S.NO.	NAME OF THE STATE/MILL	Number of employees on roll as on 01.04.2007
	ANDHRA PRADESH	
1	ANANTHAPUR COTTON MILLS	7
	KARNATAKA	
2	SREE YALLAMA COTTON MILLS	2
	PUNJAB	
3	KHARAR TEXTILE MILLS	84
4	SURAJ TEXTILE MILLS	49

RAJASTHAN
5 MAHALAXMI MILLS 129
6 SHREE BIJAY COTTON MILLS 82

GUJARAT
7 AHEMEDABAD NEW TEXTILE MILLS 92

UTTAR PRADESH
8 SWADESHI COTTON MILLS NAINI 152

BIHAR
9 BIHAR CO-OPERATIVE MILLS 129

ASSAM
10 ASSOCIATED INDUSTRIES 92

TOTAL 818